MINUTES OF MEETING
BELLAGIO
COMMUNITY DEVELOPMENT DISTRICT

A special meeting of the Board of Supervisors of the Bellagio Community Development District was held on May 10, 2023 at 9:00 a.m. at the Aragon Clubhouse, 8700 West 35th Court, Hialeah, Florida.

Present and constituting a quorum were:

Eduardo Lavin	Chairman
Edwin Rivera	Vice Chairman
Jorge Pinos	Assistant Secretary
Victor Llanos	Assistant Secretary

Also present were:

Luis Hernandez	District Manager
Gregory George	District Counsel
Jessica Almendares	Club Manager

FIRST ORDER OF BUSINESS — Oath of Office for Mr. Edwin Rivera

SECOND ORDER OF BUSINESS — Roll Call

Mr. Hernandez called the meeting to order, called the roll, and indicated that the oath of office had been administered to Mr. Rivera prior to starting the meeting in order to have a quorum.

THIRD ORDER OF BUSINESS — Approval of the Minutes of the March 2, 2023 Meeting

Mr. Hernandez: Moving on to Item #3 on the agenda, which is Approval of the Minutes of the March 2, 2023 Meeting. This would be the time to make any changes, corrections, additions, or deletions. If there are none, then a motion to approve the minutes would be in order.

> On MOTION by Mr. Lavin seconded by Mr. Pinos with all in favor, the Minutes of the March 2, 2023 Meeting were approved as-presented.

FOURTH ORDER OF BUSINESS Discussion of Pool Issues and Options

A. Correspondence related to Florida's Bright and Blue Pools, Inc.
B. Consideration of Proposal from Robert's Blue Pools, Inc.
C. Consideration of Proposal from One Stop Pool Pros, Inc.

Mr. Hernandez: Moving on to Item #3, Discussion of Pool Issues and Options. The District has had some hiccups with the current pool company. The part you are seeing in the pictures included in your agenda package shows there is no chlorine, no acid, and all of the items that are supposed to be there are not. They claimed to have some problems with the equipment, but after we got an expert to take a look at things, it was not that the equipment was having problems, it was the company that didn't know how to run the equipment. Based on that, and rather than wasting too much time on this, the part that we believe needs to be said, we, meaning Jessica and I, since we have been exchanging emails and conversations based on this problem, and we think that the Board needs to consider changing pool companies. We have contacted two entities that have provided us with proposals. The first proposal is from Robert's Blue Pools, Inc., provides three services per week, which matches what we currently have with the current company. If we want them to come more often than that, it will not be a problem. they will be able to provide the services, but the portion they didn't include in the proposal is the two fountains that we have at the entrance. They did provide a proposal after they gave us the other one. By the time you add these, it will be $1,950 per month for the pools, and everything related to the club side, and $425 for the two fountains at the entrance, meaning that the total will be $2,375.

Mr. Pinos: How much was it before?

Mr. Hernandez: Before that, it was approximately $2,200. The difference is not significant, and since we are also going to be discussing the budget, we have taken into consideration the worst-case scenario.

Mr. Lavin: I think the HOA is going to take care of the fountains.

Mr. Hernandez: And that is fine if one pays one portion and the other pays the other, but the part I would like to ensure is that we are using the same company. The other proposal from the other vendor is One Stop Pools, Inc. They are from California and they are a huge company. They don't do anything residential. They specialize exclusively in commercial work and facilities like Disney. They are properly equipped to assist a community of this size. At the beginning, my biggest concern was going to be the price, but as you look at the proposal and to be able to compare apples-to-apples, they are also giving us three times a week and the cost for the fountains is included for a total cost of $2,050, which is roughly $325 less than the other proposal. They also included a proposal which I was extremely happily surprised about for five days a week because in the summertime especially, it would be recommended to have more than the basic maintenance of three times a week. I have already had this conversation with both vendors, and they will be able to do whatever direction the Board prefers, where you might have a hybrid of six months for three times a week, and six months for five times a week. With that being said, it is for the Board to discuss, but I think that the recommendation coming from staff is to terminate the existing contract with the vendor, Florida's Bright and Blue Pools, Inc., and if that is what the Board wants to do, to also let us know which proposal you feel will fit best, and we will move forward with that. Initially, I was planning on doing the termination with cause, but that will create more problems than solutions, so if we just give them the thirty days' notice, by the time we get the agreement in place and set up with the other company, I think that will be better off in the long run. So, I will let the Board discuss this now.

Mr. Lavin: So, we need a motion to terminate Florida's Bright and Blue Pools, Inc.?

Mr. Hernandez: Yes, if that is the direction the Board wants to take. The first motion will be to terminate the contract with them.

> On MOTION by Mr. Lavin seconded by Mr. Rivera with all in favor, the Board authorized termination of the contract with Florida's Bright and Blue Pools, Inc.

Mr. Hernandez: Now, we will need you to discuss which vendor you would like to use, Robert's Blue Pools, Inc., or One Stop Pool Pros, Inc. Keep in mind that even if a portion is paid for by the HOA, that is perfectly fine. At the end of the day, we just need to determine which vendor you prefer to work with.

Mr. Lavin: Robert's Blue Pools, Inc. is a vendor that a friend of mine gets their pool supplies from, so I am familiar with them. The other one, which is One Stop Pool Pros, Inc., I don't know them at all. I don't know if maybe you have them working on any of your other communities.

Mr. Hernandez: I happen to know someone who recommended them. I was able to talk to both vendors and they provided us with information from some of the companies they are servicing, and everybody seems to be extremely satisfied with both of them. So, I have no concerns whatsoever, and I believe that both of them are qualified. The part that I am seeing is that One Stop Pool Pros, Inc. has a large staff. They are doing all of the main hotels in Miami Beach. That is something I was able to confirm.

Mr. Lavin: They have the staff. The other one, now that I am looking at both proposals, I don't know if the other one is going to be big enough to accommodate us.

Mr. Hernandez: They have a system they are going to be offering to us where we can put all of the equipment in a cloud that is going to present us with a report after they provide service. Now the benefit of that is when they check the temperature of the spa, instead of us having to call to tell them there is a problem with the spa, the person maintaining that is able to provide all of the information to the person on the phone. So, the service at least from a technology perspective, seems to be a little better than the common service we were used to.

Mr. Lavin: Is that the lower-priced one?

Mr. Hernandez: Yes. That is the one that is lower. It is not included in the base price, but from what I was told, it is an option and not that expensive, only an additional $150 a month if we were to choose to go that route. It will be managed through the internet that we already have. And once again, the fact that they are going to come more often also gives us comfort but in addition to that, they seem to be working with this technology that seems like a positive way to maintain things. Robert was very nice and seems like he will do what you are asking him to. He is very knowledgeable of this area. He also is in the business of building pools, so he knows a lot of people in Miami-Dade County, but at the same time, the other company is much larger in size and knows how to handle commercial pools.

Mr. Lavin: I don't know. What do you guys think?

Mr. Rivera: One Stop because of the technology?

Mr. Hernandez: And keep in mind, we are just entering into a contract, and if there are any issues, we can always come back and do this all over again. But, just to give some comfort to that idea, I think because of the technology, they have a validity to be a little higher than the other, though they aren't with the more basic quote.

Mr. Rivera: Do they provide reports?

Mr. Hernandez: Yes. Every time they come, they are going to be providing us with reports and sending them to us via email. The way they communicate is much better than the average pool company. So, based on what is being discussed, I would be looking for a motion from the Board to enter into an agreement with One Stop Pool Pros, Inc. What I would suggest for the Board to do is allow me to work with the hybrid we presented for three services each week for six months, and five services each week for six months so that in the summer we have them here more often. With that being said, a motion would be appropriate.

> On MOTION by Mr. Lavin seconded by Mr. Rivera with all in favor, the proposal from One Stop Pool Pros, Inc. was approved; and staff was authorized to negotiate an agreement with them based on the hybrid proposal that was presented for three services each week for six months, and five services each week for six months.

FIFTH ORDER OF BUSINESS — Discussion of Flood Zone Information and Consideration of Quote

Mr. Hernandez: Moving on, the next item we have on the agenda is Discussion of Flood Zone Information and Consideration of Quote. This is one of those items we choose to bring before the Board since we had this meeting coming up. We are in a flood zone and the cost to add flood insurance, in my personal opinion is not as significant if compared to what could occur. The annual cost to include the flood insurance is $1,436. What the insurance company the District has is presenting, is since we are in a flood zone, we need to accept the flood insurance and the type of insurance we use. The one that I recommend is the one that includes the items we have within the facility with a deductible of $1,250 that is low enough that less than that doesn't make any sense, but at the same time, enough that if we have any unforeseen events with flooding, we will be able to come back. It is important for the Board to know that as this is a requirement to have flood insurance whenever you have anything that is water-related. So, it is always wise to include it in the proposed budget, which we will be discussing later. I have included it, but I just want to make sure that the Board is in acceptance with the direction that we are suggesting.

Mr. Lavin: Yes.

Mr. Hernandez: Okay, then we will move forward with that direction.

SIXTH ORDER OF BUSINESS — Consideration of Resolution #2023-04 Approving the Proposed Fiscal Year 2024 Budget and Setting the Public Hearing

Mr. Hernandez: Moving forward, the next item that we have is Consideration of Resolution #2023-04 Approving the Proposed Fiscal Year 2024 Budget and Setting the Public Hearing. Before we look at the resolution, let's take a look at the proposed budget. You will find that on page 32 of the agenda package. On page 34, what we are going to be doing is comparing the costs from the current adopted budget against the column on the right-hand side which is the proposed budget for the fiscal year. Based on the current situation where everybody is kind of facing the fact that insurance is going up, water is going up, electricity is going up, the District's staff is recommending at this point to have an increase. The part that the Board needs to know is that the increase luckily is not as significant or as scary as others we have seen, and the total increase that is being suggested is $55.57 per year, which means a little bit less than $5.00 per month. I think that it is appropriate for the District to contemplate this increase right now rather than trying to squeeze the existing budget and put the District in a financial condition where you will not be able to go ahead and undertake any particular projects. As you go through each line item, what staff has done is check with the different vendors in order to estimate any increases. So, for instance, the first one you will see is the 3% increase from the management company. Once again, this is based on a cost of living increase. The next one you will see is that we need to be ready for salaries going up. This budget will not take into effect until October of this year, but it is going to take us all the way to September of next year, and we have to factor in the costs for the pool attendants, there may be some need for some other expenses with staff and line items. Based on all of that, does anyone have any questions? Not hearing any, the next thing to keep in mind is that all you are doing today is accepting this as the proposed budget. It is not the final budget yet. The Florida Statutes require us to give at least sixty days before we can adopt the final budget. Therefore, the part that needs to be said is that today you are just creating the cap for the maximum amount you will be able to levy per unit. When we come back after sixty days, then we will have to define the actual numbers. We would be able to lower the amount, but we would not be able to increase it. Based on all of that, and hearing no questions, the next part we need to determine is when we are going to be adopting the budget. The next scheduled meeting in July will not give us enough time to meet the sixty-day requirement that we need. Our meetings are scheduled for Thursdays, but it is my understanding that one of the Supervisors cannot attend that day, but will be able to attend if we were to meet on Wednesdays. Since we are going to need to advertise the budget public hearing, basically whatever day works for the Board is fine with me as long as it is after the sixty days. Based on that, the Board could set the public hearing date for any time after July 12th, but I just need to make sure we have quorum. Keep in mind, we are going to be sending a letter and letting the community know about this meeting and the increase, so we need to have at least three Supervisors present to be able to have the meeting. So, I will let the Board discuss what will work best for you at this time.

Mr. Lavin: You said you need Wednesdays? I am fine with that. I can do any day. If he can only be here Wednesdays, then we should pick a Wednesday for the meeting date. There is more of a chance of having most of us here if not at least three of us.

Mr. Rivera: What about Giovanna?

Mr. Hernandez: She mentioned she is planning to resign from the Board. She is going through some personal and work-related matters, so she is not going to be able to have the time to commit to the community and will be resigning.

Mr. Lavin: Okay.

Mr. Hernandez: What day works for all of you? July 12th would give us enough time to advertise the public hearing and we would have the sixty days that is required, but it is summertime already. Is anyone going out of town or on vacation then? Not hearing any objections, my suggestion to the Board is we can set the public hearing date for then and the resolution will be filled in to read that date will be July 12th at the regular time, which is 9:00 a.m., and this location, located at the Aragon Clubhouse, 8700 West 35th Court, Hialeah, Florida. With that being said, and if that is what the Board wants to do, I will be asking for a motion to approve Resolution #2023-04 at this time.

> On MOTION by Mr. Lavin seconded by Mr. Rivera with all in favor, Resolution #2023-04 Approving the Proposed Fiscal Year 2024 Budget and Setting the Public Hearing was approved; and the public hearing was scheduled to be held on July 12, 2023, at 9:00 a.m. at the Aragon Clubhouse, 8700 West 35th Court, Hialeah, Florida.

SEVENTH ORDER OF BUSINESS — Consideration of Engagement Letter with Grau & Associates to perform the Audit for Fiscal Year Ending September 30, 2023

Mr. Hernandez: Moving forward, next we have Consideration of Engagement Letter with Grau & Associates to perform the Audit for Fiscal Year Ending September 30, 2023. I have reviewed the engagement letter and the amount the District is being charged matches what the Audit Selection Committee approved. Therefore, my recommendation is to approve the engagement letter, which will also authorize it to be executed.

> On MOTION by Mr. Lavin seconded by Mr. Rivera with all in favor, the engagement letter with Grau & Associates to perform the audit for fiscal year ending September 30, 2023, was approved.

EIGHTH ORDER OF BUSINESS — Staff Reports

A. Attorney

Mr. Hernandez: Moving forward to Staff Reports. Gregory, do you have anything for the Board today?

Mr. George: No report from me. Ginger sends her regards. I will probably be back and see you on the 12th because I just looked at the calendar and see she has a conflict on that day, as well.

Mr. Hernandez: Okay. Excellent report.

B. Engineer

Mr. Hernandez: Nothing to present from the District's engineer.

C. Clubhouse

Mr. Hernandez: Jessica, anything else that needs to be presented?

Ms. Almendares: No.

Mr. Hernandez: We will be doing the transition today, and I will copy you so we can start working with the new company as soon as we can.

Ms. Almendares: Okay.

D. Manager – State Board of Administration Account Information

Mr. Hernandez: One item that I need to inform the Board is that the District is limited as to where it can invest funds and earn some interest. We cannot put it in a regular savings account. Typically, there are restrictions from the Florida Statutes as to where we can invest. The State Board is one of the few that we can use, but last month there were rumors that they were having liquidity issues. So, the Treasurer of the District moved all of the funds into a different account where the funds are safe.

Mr. Lavin: Do we have the ability to use other types of accounts?

Mr. Hernandez: Yes, but the problem is that the accounts where can put the funds in to earn some money are extremely limited. Right now, one of the only options is the State Board Account, but because of problems with liquidity, we felt it was best to move the funds. The Treasurer is trying to define other options where we can invest safely. Right now, the information is that we have moved the funds out of that account because of the concerns, and we will be keeping the Board posted as this issue is resolved.

NINTH ORDER OF BUSINESS Financial Reports

A. Acceptance of Summary of Invoices

B. Acceptance of Combined Balance Sheet

Mr. Hernandez: Moving forward the next item that we have on the agenda is the Financial Reports. Unless anyone has any questions on these, a motion accepting them would be in order.

> On MOTION by Mr. Lavin seconded by Mr. Rivera with all in favor, the summary of invoices and the combined balance sheet were accepted.

TENTH ORDER OF BUSINESS Supervisors Requests and Audience Comments

Mr. Hernandez: Are there any requests from the Supervisors? Hearing none, I just want to confirm once again that we don't have any audience here with us today, so we are not skipping over this portion and we can move on to the next item on the agenda.

ELEVENTH ORDER OF BUSINESS Adjournment

Mr. Hernandez: Unless anyone has any other business to discuss, a motion to adjourn would be in order.

> On MOTION by Mr. Lavin seconded by Mr. Rivera with all in favor, the meeting was adjourned.

Eduardo Lavin
Eduardo Lavin (Aug 1, 2023 10:29 EDT)

Secretary /Assistant Secretary

Chairman / Vice Chairman

07-12-23documentstobesigned-Bellagio

Final Audit Report 2023-08-01

Created:	2023-08-01
By:	Robin Friedman (rfriedman@gmssf.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAh_xcRqB9PK-b5seMoS_Ya0LC_RCi2eD-

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Signer aragonhoapresident@gmail.com entered name at signing as Eduardo Lavin
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